

Federal Pipeline Regulation Update

Natural Gas Pipeline Safety Seminar

> Yakima, WA May 24, 2005

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Topics

- 1. Office of Pipeline Safety
- CATS Program
- Facilitation of Federal Pipeline Repair Permits
- 4. API 1162 Public Awareness Programs Rulemaking
- 5. Transportation Research Board Study Special Report 281, 2004
- 6. Conclusions



Office of Pipeline Safety (OPS)



OPS Mission Statement

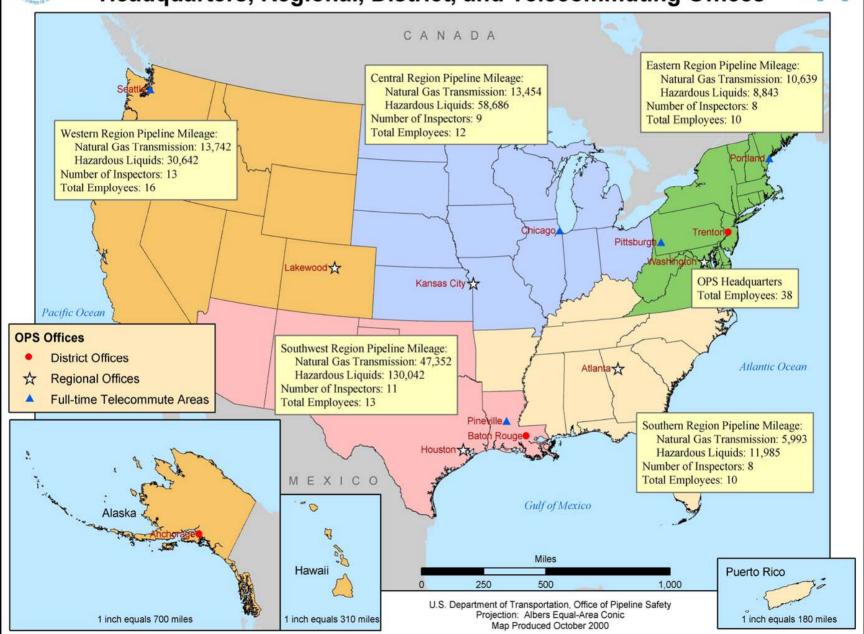
"To ensure the safe, reliable, and environmentally sound operation of the Nation's pipeline transportation system."

United States Pipeline Infrastructure, Federal Lands, and State Parks FOR OFFICIAL USE ONLY NOT FOR DISTRIBUTION Atlantic Ocean Pacific Ocean Gulf of Mexico 1,100 raises (0.7%) of house/door, liquid and 1,564 raises (1.1%) or natural got homorphisms pipelines recide in state parks. Oht raise; (2.9%) of transactions liquid and 9.27% raises (4.5%) natural gas transaction pipelines reside in federal lands. U.S. Department of Transportation, Office of Pipeline Sofety Projection: Albert Equal Area Conic Pacific Ocean Map Produped February 2003



Office of Pipeline Safety Headquarters, Regional, District, and Telecommuting Offices







OPS Headcount

(June, 2004)

REGION	CY 2000	CURRENT	Increase	% Inc.
East	10	13	3	30
South	10	14	4	40
Central	12	19	7	58
SW	13	26	13	100
West	16	18	2	13
HQ	38	99	61	161
TOTAL	99	189	90	91

Office of Pipeline Safety



OPS Headcount

(May, 2005)

REGION	CY 2000	CURRENT	Increase	% Inc.
East	10	13	3	30
South	10	14	4	40
Central	12	18	6	50
SW	13	28	15	115
West	16	19	3	19
HQ	38	111	73	192
TOTAL	99	203	104	105

Office of Pipeline Safetys



The Future

Secretary Mineta Proposal (9/29/04)

Split RSPA into two organizations:

- Pipeline and Hazardous Materials Safety Administration (PHMSA)
- Research and Innovative Technology Administration (RITA)



The Future (continued)

Move RSPA's Crisis Management Center (CMC) and Office of **Emergency Transportation (OET) to** DOT's Office of Intelligence and Security (OIS) to consolidate DOT's security, intelligence and emergency response needs into a single office



The Future Status (02/05)

- Passed by the House, 10/7/04
- Passed by the Senate, 11/16/04
- Signed by the President, Became Law 11/30/04
- DOT implemented 02/28/05



The Future Summary

- This reorganization should have long-term benefits for the industry
 - Any Reorganization will take TIME
 - There should be no significant short-term effects
 - OPS will continue to work hard to enhance Pipeline Safety



Community Assistance and Technical Services (CATS)



The CATS Team Mission

To advance public safety, environmental protection and pipeline reliability by facilitating clear communications among all pipeline stakeholders, including the public, the operators and government officials.



Administration

Where the CATS program fits

U.S. Department of Transportation

Pipeline and Hazardous Materials Safety Administration (PHMSA)

Community Assistance and Technical Services

Southern Region *Mike Khayata*

Western Region Kimbra Davis Ross Reineke Eastern Region

Alex Dankanich

Central Region

Karen Butler

Harold Winnie

Southwestern Region John Jacobi



Key Elements of the CATS Program:

- Damage prevention
- Permit facilitation and technical assistance
- Outreach and public awareness
- Special projects



Damage Prevention

- Common Ground Alliance
- Pipeline Safety Improvement Act of 2002
- Operators and trade organizations
- Excavators / Contractors / Homeowners
- Utility Coordination Committees and Damage Prevention Councils
- Statewide Damage Prevention Assessment and Improvement Program



Permit Facilitation and Technical Assistance

- PSIA 2002 Established a White House Interagency Task Force
 - Memorandum of Understanding (MOU) re implementation and facilitation
 - DOT (OPS) is lead agency
 - Only for repairs
- Outreach to other federal and state agencies
- Individual operator requests



Outreach and Public Awareness

Partnership approach to pipeline safety by educating and enabling stakeholders such as:

- Public/community/homeowner groups
- · Pipeline safety advocates
- City and county governments
- Industry
- Tribal councils and tribal emergency planning groups
- Local Emergency Planning Committees



us. Department utreach and Public Awareness

State Pipeline Safety Program Support

- NAPSR relations
- Participating in state partner public meetings and seminars
- Communicating OPS initiatives to state partners
- Other state partner support



Facilitation Off Federal Pipeline Repair Permits

U.S. Department of Transportation White House Interagency Task Force

Research and Special Programs Administration

- Established by Pipeline Safety Improvement Act of 2002
- Multi-agency effort
- Develop a memorandum of understanding (MOU) to address the problem and make a difference
- Visualize better management processes



Benefit of MOU

The MOU will establish a high level agreement to develop procedures that will accelerate the pace of Federal permitting with:

- Advance planning among affected agencies
- Specific commitments to share information
- Continual procedural enhancements



Participating Agencies

- council on Environmental Quality
 - Department of Transportation
 - Environmental Protection Agency
 - Department of the Interior
 - Department of Commerce
 - Department of Defense
 - FERC
 - Department of Agriculture
 - Department of Energy
 - Advisory Council on Historic Preservation



Major MOU Issues

- What constitutes a pipeline repair? (e.g., footprints and impacts)
- Timing issues around repairs
- The identification and use of Best Management Practices

U.S. Department of Transportation

Research and Special Programs

- Recognize that some pipeline repairs must be completed within specific timeframes
 - Exchange information via the National Pipeline Mapping System
 - Participate in pre-planning efforts that expedite the permitting process
 - 4. Give priority to processing of permits for immediate or time-sensitive repairs



Participating agencies agree to: (continued)

- Work together on Best Management Practices
- Participate in dispute resolution through a process established by the designated ombudsman (Roger Little at OPS)
- The stablish a Working Group to develop guidance documents that can be used to coordinate and expedite repair permitting processes (Ron Montagna at BLM)



Actions to Expedite Federal Permits

- Permits will still be required
- Lack of Planning will NOT be Viewed Sympathetically
- File Applications ASAP
- Contact your CATS Manager
- CATS Manager MAY be able to Expedite Federal (and possibly state) Permits



Current Status

- Permit Streamlining Development Team (PSDT) has been established
 - DOT/OPS
 - CEQ
 - FERC
 - White House Task Force
- OPS will facilitate permits and report progress to CEQ



Current Status (continued)

- Administration FERC-like categorical exclusions will be developed
 - Best management practices will be developed by/for <u>all</u> Federal agencies
 - Generic
 - Specific
 - Input will be sought from state and local agencies as well as from non-government sources



Current Status (continued)

- Industry has already provided a list of 12 "hot spots" as candidates for developing/applying the process
- "Digs" associated with Direct Assessment investigations will – if possible – be expressly included as categorical exclusions



API RP 1162 Public Awareness Programs Proposed Rulemaking



API RP 1162 u.s. Departm Dublic Awareness Programs

The "Recommended Practice," referred to as RP 1162, is an industry-wide effort to make public education and pipeline awareness campaigns more effective in reaching intended audiences in the communities operators serve.



RP 1162 provides guidance for:

- Intra- and interstate hazardous liquid pipelines
- Intra- and interstate natural gas transmission pipelines
- Local distribution pipelines
- Gathering pipelines

u.s. Departmentarget audiences include

Research and Special Programs Administration

Affected public

- Landowners, residents and visitors to places of congregation near the pipeline
- Local and state emergency planning and response officials
- Local public officials and governing councils
- Excavators



- Public awareness program development
- Definitions of key stakeholder audiences
- Message content, delivery, frequency
- Recommendations for enhancement of baseline program
- Program documentation and record-keeping
- Program effectiveness evaluation methodologies



Current Status

- ""Woluntary Self-Assessment complete
- NOPR published 6/24/04 (69 FR 35279)
- Public Comment Period closed 8/23/04
- Public Meeting in Washington DC December 14, 2004
- Expect Final Rule, May 2005



Current Status (continued)

Based on the (date) Federal Register notice of the DC Public meeting:

- The word "shall" will mean exactly that –
 operators must do as prescribed by the standard
- "Should" will mean that operators can do as they please – as long as they can demonstrate that their alternative is at least as effective as that required by the standard



Current Status (continued)

- regarding plans to review communications plans (most likely initially by a third-party contractor)
 - The US Senate Appropriations Committee has proposed a budget to fund a central review clearinghouse (contingent on actual funding)

Promulgation should occur sometime end-CY2005. Related subjects will also be discussed at the meeting.



Transportation Research Board Study

- Examine evidence of risks to public due to development near pipelines
- Understand how risks vary based on pipeline characteristics
- Explore feasibility of establishing setbacks local governments might use to regulate encroachment



Risk-Informed Land Use Planning

Transportation Research Board (TRB)
Special Report 281, 2004

- Transmission Pipelines and Land Use
 <u>A Risk-Informed Approach</u>
- Provides Framework for Future Actions
- TRB Report and OPS Implementation Plan available at ops.dot.gov "What's New"



TRB SR 281 Recommendations

- OPS should develop risk-informed land use guidance to include three interrelated components
 - Decision framework informed by risk analysis
 - Guidelines based on the analysis
 - Alternative actions that could be taken on basis of guidelines



TRB SR 281 Recommendations

- Process for Developing Land Use Guidance
 - Be collaborative (public & private stakeholders)
 - Conducted by experts in risk analysis & communication, land use management, and development
 - Incorporate learning and feedback to refine guidance over time



TRB SR 281 Recommendations

- Industry develop ROW best practices for
 - Specification
 - Acquisition
 - Development
 - Maintenance
- Federal government develop guidance regarding ROW vegetation and environmental management practices



Risk-Informed Land Use Planning Implementation Plan

- Must address sometimes competing goals
 - Economic expansion
 - National energy supply needs
 - Pipeline safety
- Three phases
 - Short- and longer-term activities



Table 4. Pipeline Accidents, Fatalities, and Injuries January 1994 through December 2003

Type of Pipeline Segment	Total Number of Accidents	Total Number of Fatalities	Total Number of Injuries	Average Number of Fatalities per Year	Average Number of Injuries per Year
Natural Gas	SPACE SERVICE	SE SENIO	5 N - 1 1 2 1 1 1	A 4 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	A 5.00
Distribution	1,228	174	662	17.4	66.2
Hazardous				Part of the State	BARRE
Liquid	1,666	17	81	1.7	8.1
Natural Gas	ANG VOY		Sign of the last		
Transmission	792	26	97	2.6	9.7



CONCLUSIONS

- API 1162 will become a reality this year
- OPS is trying to be "smarter" not "harder"
- Your CATS Manager is your friend



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